

Local Economic Development State of the Art in California

The California Association for Local Economic Development



Your Greatest Resource

CALED

California Association for Local Economic Development

- Founded in 1980
- 900 Members

The California Association for Local Economic Development



CALED Members

- ✓ Cities (45%) and Counties (9%)
- ✓ Nonprofit E.D. Organizations (9%)
- ✓ Education and Training Agencies (7%)
- ✓ Private Sector (14%)
- ✓ State and Federal Agencies (3%)
- ✓ Other (13%)

CALED Mission to Support Local ED

- Build Local ED Effectiveness and Capability
- Promote Local ED Success
- Help make Local ED a Local Priority
- Enhance Image and Awareness of ED Profession
- Be a Player on Behalf of Local ED

Professional Advisory Service

Bring team of ED leaders to a community to help jump start their economic development program

Local Elected Official Training

Educate community leaders on the meaning
and value of economic development

CEDA

- The California Enterprise Development Authority is dedicated to the issuance of conduit revenue bonds for economic development projects
- Industrial Development Bond program for growing manufacturing businesses

Customer Service Academy

Academy for teaching public-sector
employees how & why they should deliver
high quality customer service

Impact Calculator

**Uses updated Implan data to quickly
calculate the impact of a project and
summarizing into a thumbnail report**

Measures jobs, taxes, economic vitality

Business Expansion Program

B2B & G2B program that uses procurement
as an economic driver to keep money in a
community

Distinctions

- COMMUNITY DEVELOPMENT is a capacity building process for making a community a better place to live and work.
- ECONOMIC DEVELOPMENT is purely and simply the creation of wealth in which community benefits are created.

Business Role

To mobilize resources that create marketable
goods and services

A Business's Primary Motive is

Profit!

Government Role:

Try to Influence
Business Investment and Location Decisions with:

- Taxes
- Spending
- Investment
- Regulations
- Incentives
- Services
- Marketing
- Quality Service

Governments' Motives

Revenues (Profit)

Better Households

Local (Public) Economic Development

- ✓ An Investment Program
- ✓ Leveraging Private Sector Capital
- ✓ Inducing Actions that:
 - * Improve Business Activity
 - * Increase Employment
 - * Increase Wages

REMEMBER

Government Can Only
Be as Healthy as its
Economy!

Fundamental Forms

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1) Existing Business

Typical Activities

- ✓ Backward Linkages
- ✓ Economic Gardening
- ✓ Network Existing Business
- ✓ Business Visitation
- ✓ Export Assistance
- ✓ Government Purchasing
- ✓ Revolving Loan
- ✓ Business Recognition

2) Start Up of New Business

Typical Activities

- ✓ Grow Your Own Providing Exceptional Business Assistance
- ✓ Venture Capital
- ✓ Incubators
- ✓ Business Training
- ✓ Home-based Businesses

3) Attraction of New Business

Typical Activities

- ✓ Targeted Industry Study
- ✓ Labor Market Survey
- ✓ Marketing Strategy
- ✓ Community Profile
- ✓ Vacant Industrial Site & Facilities Inventory
- ✓ One-stop Permit
- ✓ Ambassador's Program
- ✓ Business Familiarization Tours

“TOOLS”

- ✓ Redevelopment
- ✓ Enterprise Zones
- ✓ Recycling Zones
- ✓ Workforce Training
- ✓ One-stop Permits
Fast-tracking
- ✓ Permit Financing
- ✓ Public Asset
- ✓ Federal Funds
- ✓ Revolving Loan
Funds
- ✓ Incubators
- ✓ Business
Improvement Districts
- ✓ Tax Incentives

Some “Resources”

- ✓ Small Business Development Centers
- ✓ Workforce Agencies
- ✓ Welfare-to-Work (Job Development)
- ✓ Community Colleges
- ✓ California Manufacturing Technology Centers

Where is Economic Development Going?

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California

70 Public/Private Econ. Dev. Corps.:

- 28 Sub-county
- 35 Single-county
- 7 Multi-county

30 County Programs

200+ City Programs

300+ Full-time Programs

Over 1,000 Practitioners

Nationally

Organizations:

15,000-20,000

Public vs. private:

(49%) Private nonprofits

(41%) gov

(10%) other

Practitioners:

50,000-75,000

Economic Developers

“A catalyst...They are strategists who establish relationships, build networks, and generate resources to meet the needs of businesses.”

Remember

**Economic Developers
Do Not Create Jobs...**

BUSINESSES DO!

We Are Facilitators

Trends in E. D.

- State Recognition
- Growth in Local E. D. Programs
- Regional Alliances...Beyond County Borders
- One-Stop Shop
- Growth in E. D. Strategies
- Use of Technology Tools/Internet
- More Business Networking

- Clusters Strategies
- Retention = Attraction
- Community Developers
- The Socializing of Economic Developers
- Merging of Workforce and Economic Development
- Global Investing/Networking



Issues in E.D.

- Vocational Education
- Perceptions of California
- Local Government Finance
- State Role in Economic Development
- Continuity of Local Funding

- Policy Leader Knowledge
- Unions as Partners
- Housing Affordability
- Infrastructure
- Incentives vs. Investments/ROI
- Redevelopment
- Universities Not Connected
- Entrepreneurial Growth



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